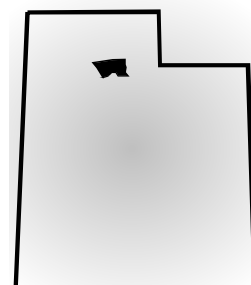


County Trends

December 2002

Davis



A Local Economic Perspective

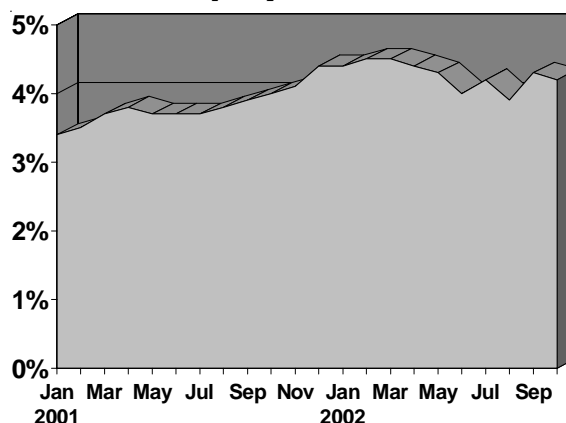
Unemployment Hovers and Job Growth Slows

Davis County's economy is not recession-proof and that's evident in the numbers. Unemployment, less than 4 percent on and before 9-11, has crept up to and over 4 percent throughout 2002. The rate of employment growth, probably "the" indicator of economic health, has slipped from last year. Construction activity was positive during 2001 but slowed in second quarter of 2002, and taxable sales have been predictable with a slight decline in second quarter.

Unemployment Up from Last Year. with Job Growth Declining

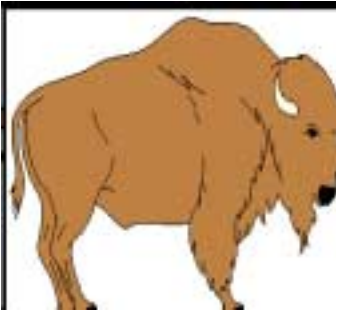
Unemployment during first quarter of 2002 averaged 4.4 percent, up nearly one full point from the 3.5 percent of first quarter 2001. Second quarter wasn't much better with a 4.2 percent rate of joblessness, again up from the 3.7 percent in 2001. It is clear the recession has made an impact on Davis County. Further evidence is the marked slowdown in job growth. In the 3 to 4 percent range, even peaking at 4.2 percent in July of 2001, employment growth has steadily slowed to 1.2 percent by June of 2002. The good news is there still is growth. Many counties, and the state as a whole, have shown losses in payrolls.

Seasonally Adjusted Davis County Unemployment Rates

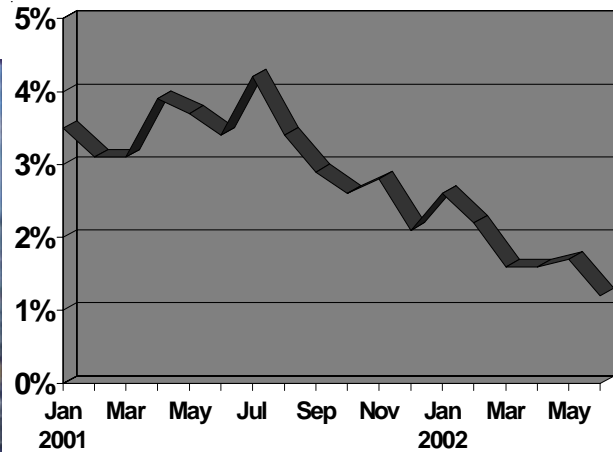


Source: Utah Department of Workforce Services.





Year-Over Change in Davis County Employment



Source: Utah Department of Workforce Services.

To the Point

Davis County's continues to be a bright spot in the northern Utah scene. Even with slowly rising unemployment, the economy is growing, albeit it slowly, adding some 1,350 new jobs to payrolls across the county. Much of that increase came from employment improvement at Hill Air Force Base, which provides an anchor of employment stability.

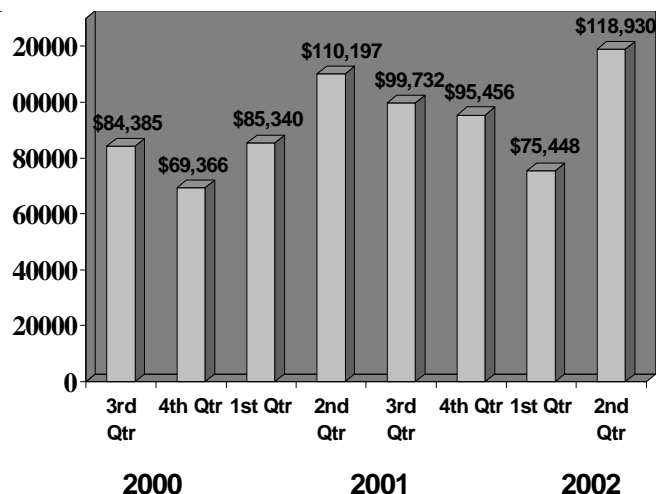
About 1,350 new jobs were created in Davis county between the second quarter of 2001 and the same period in 2002. This is a 1.5 percent rate of growth. The 1,350 jobs were not created equally across all industries. Goods producing industries actually lost some 400 jobs in the year-over period. All of these losses were in construction. Manufacturing, which is where recessions generally take their toll, has held its own in Davis County. It has added some 40 workers in the year-over period.

The service producing industries added about 1,750 new jobs between the second quarters of 2001 and 2002. Big contributors of new positions are information (170), professional and business services (660), health care (340), federal government (760) and local government (220). Industries loosing jobs were finance (-140), educational services (-240), and hospitality (-100).

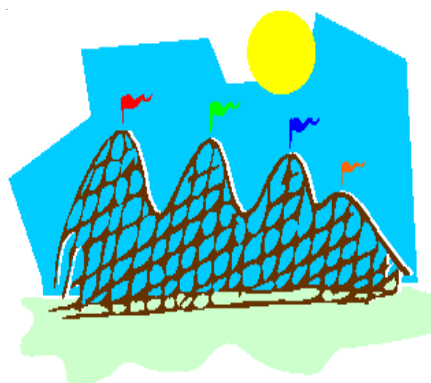
Construction Activity Down in First Quarter but Up Slightly in Second

Valuations of construction activity dropped 12 percent in first quarter 2002 and improved to the positive side at 8 percent during second quarter (2002). Overall -both residential and non-residential- construction valuation measured about \$75 million in the January to March months of 2002

Total Davis County Approved Construction Values (in 000s)



Source: Utah Bureau of Economic & Business Research.



Nearly \$120 million were permitted during second quarter. During the first half of 2002 about nine out of every \$10 of construction activity was in residential. The recession has had an effect on construction employment but the valuation of permitted construction hasn't felt a huge decline.

Sales Down (Slightly) in both First and Second Quarter

Actually, gross taxable sales for the county, when compared to 2001, were about the same. First quarter barely felt the -0.4 percent falter. Second quarter wasn't much different with a slight 0.7 percent slide. Still, over \$608 million in sales were registered in first quarter with another \$675 million in the spring and early summer. In viewing sales tax over the last three years, the pattern hasn't change much, just the level. Two-thirds of sales activity was generated at the retail level, and twenty percent was just motor vehicles.

John Mathews, Regional Economist
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Quick Facts

October 2002

Unemployment Rate

Davis County	4.2%
Utah	5.1%
U.S.	5.7%

June 2002 Change from Previous Year

Job Growth

Davis County	1.2%
Utah	-1.3%
U.S.	-1.1%

2nd Qtr 2002 Change from Previous Year

Construction Values

Davis County	7.9%
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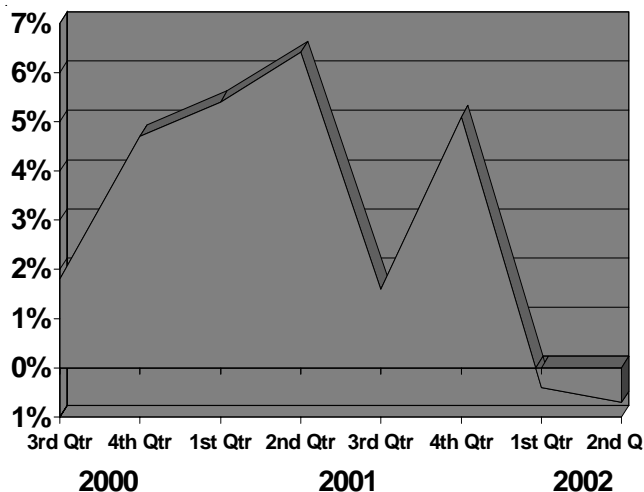
Sales

Davis County	-0.7%
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Source: Utah Dept of Workforce Services,
 Bureau of Labor Statistics,
 Utah Tax Commission,
 Bureau of Econ & Business Research.

For more economic information about Davis County see:
<http://jobs.utah.gov/wi/Regions/northern/davis/davis2.asp>

Year-Over Change in Davis County Gross Taxable Sales



Source: Utah Tax Commission.

The mission of the Utah Department of Workforce Services is to provide quality, accessible, and comprehensive employment-related and supportive services responsive to the needs of employers, job seekers, and the community.

What's Up? ⁴

- Davis County residents may see a record 138 percent hike in the county portion of their property-tax bills, with most of the increase going toward expansion of the county jail.
- Alliant Techsystems of Clearfield and Hill AFB have signed an agreement to further the advancement of composite fabrication technology and improve the affordability of composite structures.

For more economic events, see:
<http://jobs.utah.gov/wi/Regions/north-ern/davis/davisee.pdf>



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Equal Opportunity Employment Program

Auxiliary aids and services are available upon request to individuals with disabilities. Call (801) 526-9240. Individuals with speech and/or hearing impairments may call the state relay at 1-800-346-4128



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